

REPORT CARD

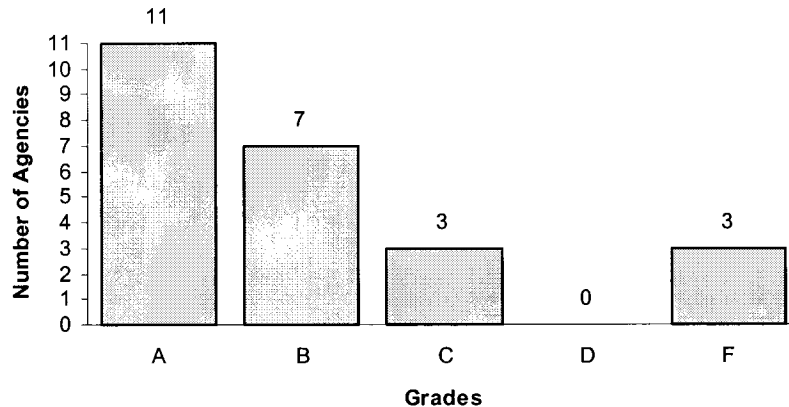
YEAR 2000 PROGRESS

for

Federal Departments and Agencies

Overall Grade: C+

Agency Grade Distribution



Federal Department and Agency Grades

For February 22, 1999

Please sign your report card and have your
department or agency head sign
to designate awareness of your progress this grading period:

Department or Agency Chief Information Officer

Department or Agency Head

YEAR 2000 PROGRESS REPORT CARD

	98 May15	98 Aug15	98 Nov13	99 Feb12	2000 Final
SSA Social Security Administration	A+	A	A	A	
NRC Nuclear Regulatory Commission	B	D	C-	A	
NSF National Science Foundation	A-	A	A	A	
SBA Small Business Administration	B	A	A	A	
EPA Environmental Protection Agency	F	B	B+	A	
HUD Dept of Housing and Urban Development	C	C	C	A-	
VA Department of Veterans Affairs	C	B-	B-	A-	
GSA General Services Administration	A-	B+	B+	A-	
Interior Department of the Interior	C-	D	B	A-	
Education Department of Education	D	F	C-	A-	
OPM Office of Personnel Management	C-	D	C-	A-	
FEMA Federal Emergency Management Agency	A-	B-	B	B+	
NASA National Aeronautics and Space Admin	B	C+	C+	B+	
Commerce Department of Commerce	B	B	B	B	
Justice Department of Justice	D	F	F	B	

	98 May15	98 Aug15	98 Nov13	99 Feb12	2000 Final
Labor Department of Labor	C	D	C	B	
DOE Department of Energy	F	F	F	B	
Treasury Department of the Treasury	C	D+	C	B-	
HHS Dept of Health and Human Services	F	F	F	C+	
Agriculture Department of Agriculture	D	C	C	C	
DOD Department of Defense	D	D	D-	C-	
State Department of State	F	F	F	F	
DOT Department of Transportation	F	D	D	F	
AID Agency for International Development	F	F	F	F	
Administration Overall Federal Departments and Agencies	F	D	D	C+	

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YEAR 2000 PROGRESS

Federal Departments and Agencies (Self-Reported Data)

Quarterly Report as of
February 12, 1999

	MISSION-CRITICAL SYSTEMS				ADDITIONAL CRITERIA				GRADE
	Total Systems	Systems Compliant as of Feb. 12	*Estimated Compliant by March 1999	*Estimated Year 100% Compliant	Contingency Plans	Telecommunication systems	Embedded Systems	External Data Exchange	
SSA Social Security Administration	308	100%	100%	1999	+	IP	IP	+	A
NRC Nuclear Regulatory Commission	7	100%	100%	1999	IP	+	IP	+	A
NSF National Science Foundation	17	100%	100%	1999	IP	IP	IP	+	A
SBA Small Business Administration	42	100%	100%	1998	IP	IP	IP	IP	A
EPA Environmental Protection Agency	57	100%	100%	1999	—	IP	IP	+	A
HUD Dept of Housing and Urban Development	56	98%	100%	1999	+	IP	IP	+	A-
VA Department of Veterans Affairs	319	97%	100%	1999	IP	IP	IP	+	A-
GSA General Services Administration	58	97%	100%	1999	+	IP	IP	IP	A-
Interior Department of the Interior	90	96%	100%	1999	IP	IP	IP	IP	A-
Education Department of Education	14	93%	100%	1999	IP	+	+	+	A-
OPM Office of Personnel Management	109	92%	100%	1999	+	+	IP	IP	A-
FEMA Federal Emergency Mgmt Agency	46	89%	97%	1999	IP	+	IP	IP	B+
NASA National Aeronautics and Space Admin	157	87%	94%	1999	IP	IP	IP	IP	B+
Commerce Department of Commerce	474	86%	96%	1999	IP	IP	IP	IP	B
Justice Department of Justice	221	86%	95%	1999	IP	IP	IP	IP	B
Labor Department of Labor	61	85%	97%	1999	IP	IP	IP	IP	B
DOE Department of Energy	420	85%	95%	1999	IP	IP	—	IP	B
Treasury Department of the Treasury	321	83%	95%	1999	IP	IP	IP	IP	B-
HHS Dept of Health and Human Services	294	83%	92%	1999	IP	—	—	IP	C+
Agriculture Department of Agriculture	353	76%	87%	1999	IP	IP	IP	IP	C
DOD Department of Defense	2306	72%	82%	2000	IP	IP	IP	IP	C-
State Department of State	59	61%	66%	2001	IP	IP	IP	IP	F
DOT Department of Transportation	608	53%	62%	2000	IP	IP	IP	IP	F
AID Agency for International Development	7	0%	0%	Unknown	—	IP	IP	—	F
TOTAL All Departments and Agencies	6404	79%	89%						C+

*All progress, calculations, and estimates are based on subcommittee staff's analysis of agency self-reported data.

The estimated percentage of mission-critical systems done by March 1999 OMB deadline is a subcommittee estimate based on agency rate of progress. Additional Criteria are rated "+" if the agency is nearing completion or completed the task; rated "—" if the agency is significantly behind; or "IP" if the task is in progress.

How Grades Were Assigned

Grades are primarily based on the percentage of mission-critical systems that Federal departments and agencies reported were Year 2000 compliant on February 12, 1999. The March 1999 estimate of Y2K compliance is calculated by using the agency's rate of progress, averaged over the seven reporting quarters.

Federal departments and agencies reporting 90 percent to 100 percent of their mission-critical systems Y2K compliant on February 12, 1999, earned a base grade of "A." Agencies with a Y2K compliance rate of 83 percent to 89 percent earned a "B." Those with compliance rates of 70 percent to 82 percent earned a "C"; 62 percent to 69 percent earned a "D" (none fell in this category this quarter); and 61 percent or lower earned an "F."

The Y2K compliance rate is a significant factor in evaluating Y2K performance. But the subcommittee also considers other important factors, which raise or lower base grades. They are:

1. **Contingency Plans** – Agencies should have most of their basic contingency plans in place. Many have made the fundamental error of preparing contingency plans only for systems they know will be late. The subcommittee and the General Accounting Office expect agencies to prepare contingency plans that will allow them to continue their basic operations, assuming there will be system failures. These plans are called "business continuity and contingency plans."
2. **Telecommunications Systems** – In-house private branch exchanges (PBXs), local area networks/wide area networks (LAN/WAN), and commercial switched networks are all vulnerable to Year 2000 problems. By now, all agencies should have completed a thorough inventory and assessment of all telecommunications systems. A high percentage of these systems should already be Y2K compliant, and a realistic plan should be in place for those that are not.
3. **Embedded Systems** – Microprocessor chips of various types are often built into, or embedded, in control devices. They might measure such basic things as how many gallons of water flow through a pipe per minute, or they might read magnetic strips in security badges. Many embedded chips have no overt date dependency, but nonetheless use date-related calculations. Unfortunately, the only way to know whether an embedded chip is compliant is to test it. By now, agencies should have a complete inventory of all embedded chips, know whether most of them are compliant, and have a remediation plan in place for those that are not.
4. **External Data Exchange** – Most computers exchange data with other computer systems. External data that is not Y2K compliant can easily corrupt computer systems that are Y2K compliant. Agencies should have a complete inventory of their data exchanges, with emphasis on external exchanges. They should know which exchanges are compliant, and they should have a plan in place for those that are not.
5. **Percentage of Renovated Systems** – The Office of Management and Budget established the date of September 30, 1998, for agencies to complete renovations of their mission-critical systems. If an agency failed to meet that milestone and its current percentage of renovated systems is low, it is assumed that the agency will have difficulty meeting the March 1999 deadline.
6. **Strong Management Involvement** – If senior executives within an agency or department demonstrate significant involvement in Year 2000 activities, that leadership role is considered a positive factor in the overall assessment.
7. **Heavy Reliance on Replacing Systems** – The Federal Government generally has a very poor track record of implementing new systems on time and within budget. As a result, the base grade was lowered if a department or agency reported replacing a high percentage of its mission-critical systems.